

**MEETING MINUTES**  
**Citizens' General Obligation Bond Oversight Committee Meeting**  
February 28, 2022

Committee Members  
Andrea Marmo Crawford  
Brian Larkin  
Timothy Mathews  
Siobhan McHugh  
Bart Pantoja  
Lauren Post  
Judi Sanderlin

This meeting was held by WebEx pursuant to the Governor's Executive Orders and Mayoral Emergency Proclamations suspending and modifying requirements for in-person meetings. During the Coronavirus Disease (COVID-19) emergency, the Citizens' General Obligation Bond Oversight Committee will convene remotely until the Committee is legally authorized to meet in person.

Note: The Citizens' General Obligation Bond Oversight Committee meetings are live-streamed courtesy of SFGovTV. The agenda, video recording, audio recording, and caption notes are posted at [https://sanfrancisco.granicus.com/ViewPublisher.php?view\\_id=191](https://sanfrancisco.granicus.com/ViewPublisher.php?view_id=191). Below is a high-level summary of the February 28, 2022, meeting.

**1) Call to Order/Roll Call.**

The meeting was called to order by Rosanne Torre, Committee Assistant, at 9:40 am. The following Committee members were present: Member Andrea Marmo Crawford, Member Brian Larkin, Vice Chair Timothy Mathews, Member Bart Pantoja, Member Lauren Post, and Member Judi Sanderlin. Chair Siobhan McHugh was absent. Vice Chair Mathews introduced Member Andrea Marmo Crawford as the newest member. Member Crawford described her background.

**2) Opportunity for the public to comment on any matters within the Committee's jurisdiction that are not on the agenda.**

There was no public comment.

**3) Approval, with possible modification, of the Minutes of the October 25, 2021, meeting. This item was continued from the December 6, 2021, meeting.**

At the December 6, 2021, meeting, a quorum was not reached on the vote to approve. Deputy City Attorney Roux explained the rule regarding approving matters presented when the matter occurred before a new member joined the committee or when a member was not present at the particular meeting. With that information, there was a motion by Vice Chair Mathews to approve the minutes. Member Pantoja seconded the motion. The motion was approved by: Member Andrea Marmo Crawford, Member Brian Larkin, Vice Chair Timothy Mathews, Member Bart Pantoja, Member Lauren Post and Member Judi Sanderlin. Chair Siobhan McHugh was absent for the vote. The minutes were approved.

There was no public comment.

**4) Approval, with possible modification, of the Minutes of the December 6, 2021, meeting.**

There was a motion by Vice Chair Mathews to approve the minutes of the meeting. Member Larkin seconded the motion. The motion was approved by: Member Andrea Marmo Crawford, Member Brian Larkin, Vice Chair Timothy Mathews, Member Bart Pantoja, Member Lauren Post and Member Judi Sanderlin. Chair Siobhan McHugh was absent for the vote. The minutes were approved.

There was no public comment.

**5) Discussion and Possible Action Regarding Adoption of AB 361 Resolution for Policy Bodies such as Citizens' General Obligation Bond Oversight Committee to meet during the COVID-19 Emergency via Teleconference.**

Member Larkin made a motion to approve AB 361 Resolution. Member Sanderlin seconded the motion. The motion was approved by: Member Andrea Marmo Crawford, Member Brian Larkin, Vice Chair Timothy Mathews, Member Bart Pantoja, Member Lauren Post and Member Judi Sanderlin. Chair Siobhan McHugh was absent for the vote.

There was no public comment.

**6) Presentation from the Mayor's Office of Housing and Community Development about the 2015, 2016, and 2019 Housing Bonds and possible action by the Committee in response to such presentation.**

Andrea Gremer, Finance Director presented an overview of the GO Bond Program. She mentioned that there is a sizeable affordability gap with the average market rate housing out of reach for most making area median income. To make sure they maintain an economic diversity in the City, they target a wide range of seniors, educators, low- and middle-income folks and public housing communities. She said their bonds are different than other bonds because they are used to make loans to developers through contractors to build the projects rather than public works. She talked about city funding being cheaper than national funding and that the funding is used earlier in the project.

She reviewed the 2015 bond that passed seven years ago with completion of all three issuances of the bonds. She reviewed the affordable housing bond summary showing that they are heavily invested in low-income housing with a set aside for long-term housing specifically in the Mission. She presented the spenddown timeline, project locations and the affordable housing bond unit production summary.

Committee questions were answered by Ms. Gremer. Member Larkin asked how someone qualifies for the single-family loan program. Benjamin McCloskey, Deputy Director of Finance and Administration, gave information on the program qualifications and how it works.

Ms. Gremer then reported on the similarities of the 2019 Housing GO Bond Program to the 2015 in that again they make loans to the developer to work with the contractors to build out the projects. The first issuance was completed not quite a year ago at \$254M. She gave a program summary of projects covered by the issuances, a projection of spending and showed project locations. The projection is for over 2300 units. The first issuance is projected to be spent by mid-2024 with the second and third issuances currently anticipated for late 2022 and late 2023.

Jonah Lee, Director of Portfolio Management & Preservation, gave the presentation on the 2016 Affordable Housing GO Bond Preservation and Seismic Safety (PASS) Program. Mr. Lee gave background on the program going back to 1992 Proposition A Seismic Safety Loan Program with \$350M made available. The program was underutilized with only \$90M in loans originated in over more than 20 years. That was the impetus to update the authority and expand it to affordable housing. He discussed the affordability restrictions that occurred in 2016, the eligible uses, how the PASS program complements MOHCD's other Acquisition and Preservation Programs, PASS financing, gave an update on the 1<sup>st</sup> issuance, and talked about the loan performance during and leading up to the pandemic. He presented the risk mitigation for new loan originations and finally, the second issuance.

Member Larkin had questions about the 2015 GO Bond Program restrictions and eligibility. Mr. Lee responded. Member Post asked about the financing part of the PASS Program. Mr. Lee explained project stabilization.

There was no public comment.

**7) Liaison Report 2010, 2014, 2020 Earthquake Safety and Emergency Response Bond Programs.**

Member Post gave a detailed report on all three GO Bond Programs. She reported that the 2010 GO Bonds were all sold and 98% appropriated. She reviewed what was funded and included in the Program. She reported that the 2014 GO Bonds have all been issued with about 92% appropriated and also which projects are covered by this GO Bond Program. For the 2020 GO Bonds, which were voted on a year or so ago, two sales have taken place so far and are just starting to be appropriated now. She talked about the projects under this program and delay issues that need to be resolved by the Department of Public Works and San Francisco Fire Department. Member Post expressed that the Department of Public Works staff does a great job getting back to her and answering all of her questions.

Charles Higuera, Department of Public Works Acting Director of Project Management, added to the report and talked about COVID delays, cost impacts, supply chain difficulties, and cost increases in lumbar, steel, and plastic.

There was no public comment.

**8) Presentation from the City Services Auditor regarding the Whistleblower Program; Liaison Report on the Whistleblower Program and possible action by the Committee in response to such presentation and report.**

David A. Jensen, Whistleblower Program Manager, presented. Mr. Jensen gave a brief background of the authority for the Whistleblower Program and ran through which types of matters are appropriate for investigation and which are referred to another agency due to not being in their jurisdiction to investigate. After introducing the Whistleblower staff, he reported on how many complaints were received since July 1, 2012, showing an ever-increasing amount, and which methods were used to submit to Whistleblower during Quarter 1.

Mr. Jensen reported that their goal is to close out 75% of reports within 90 days of receipt. In Quarter 1, 97% of reports were closed within 90 days. He stated that a high reason is that there was a lack of sufficient information to investigate stating that every due care is given to a complaint. A workflow was presented on how complaints are triaged within the Whistleblower Program. He reported that since December 2020 they have received a number of complaints provided by the reporter where there is insufficient information. They have received 10 complaints in a day or 15 in a week that contain weblinks or Wikipedia pages with not enough information given to know if it is within their jurisdiction. These complaints do not contain information such as an employee or department identifier so there is no information to investigate. A lot of volume received has been these types of complaints. In Quarter 1, 120 complaints of 264 received were this type of complaint. They do take each complaint seriously and treat them with due diligence. He shared a chart of how allegations are received and addressed. Mr. Jensen stated that through fiscal year 21-22 Quarter 1 33% of complaints resulted in corrective or preventive action and the 120 were not included in that number. Lastly, the fiscal year 2021-22 initiatives were reviewed. Mr. Jensen mentioned that they are preparing for the first ever independent audit of the Whistleblower hotline throughout the country and that the Whistleblower Program will be the first to go through it. Mr. Jensen stated they are always trying to ensure they have their best-in-class program. To see the presentation [SFGOVTV Link](#)

Vice Chair Mathews thanked Mr. Jensen for the presentation commenting that he was glad to hear the unit was looking at it as a positive experience to learn from and that he has had nothing but positive experiences with the staff in the Whistleblower Program. He knows they are professional staff who perform their due diligence and conduct their duties impartially as outlined in the charter.

Member Post expressed concern that the 120 complaints may be sort of crank spamming and

wanted to make sure they are not a waste of city staff time or taxpayer dollars with the understanding staff do their duty in making sure it is not a valid complaint. Mr. Jensen responded that initial practice was to set a week or 10-day deadline for the reporter to respond with more information and they did not. So, while it is 120 for Quarter 1, there is history of receipt of these types of complaints with no information provided. So, complaints are now closed out within 24 hours of receipt after scanning and reviewing that they are not missing anything. While they do not spend a lot of time on them, they do make sure there is no critical information they are missing.

Member Crawford asked if there are guidelines published for how to file a complaint and what information should be included. Mr. Jensen said that information is available on the website.

Member Pantoja shared appreciation that they are taking time to make sure no reports fall through the cracks even though these types of complaints take time away from investigating the valid complaints.

Mr. Jensen reiterated that everything that comes in is looked at and nothing is dismissed ever.

Liaison Chair McHugh was not in attendance.  
There was no public comment.

**9) Opportunity for Committee members to comment or take action on any matters within the Committee's jurisdiction.**

**a. CGOBOC - Members' Terms Updates**

Peg Stevenson, Controller's Director of City Performance ("CSA"), reported that she was happy that Member Crawford has joined the Committee. Controller is in touch with the Mayor's and Board of Supervisor's Offices to actively recruit members to fill the vacancies. They had a strong candidate, but their background did not fit the criteria specified by the open seats. They hope to have a new candidate by the April meeting to help spread the workload and secure more members.

**b. CGOBOC - Liaison Assignment Updates**

Peg Stevenson thanked the committee members for stepping up to fill the vacancies. She mentioned waiting until there was a full complement of members before reshuffling the liaison assignments for the new fiscal year coming up and that for the April meeting all agenda items have assigned liaisons. She mentioned that for the June meeting it would be good to have a City Services Auditor liaison assigned to replace Kristin Chu. Member Sanderlin volunteered to become liaison to City Services Auditor. Ms. Stevenson offered that at the April meeting Member Crawford might consider which bond program reflects her interests.

**c. CGOBOC - FY 2021-2022 Workplan Updates**

Peg Stevenson mentioned that the CSA Annual Report would be reviewed at the April meeting. She reviewed the scope, mentioning that it is a complement to the Committee's Annual Report.

**d. Public Finance – Upcoming Bond Issuances**

Vishal Trivedi, Controller's Financial Analyst, said that nothing had really changed since the February meeting but reviewed the Anticipated Forward Debt Calendar naming the future issuances as 2020 Health & Recovery Bond, 2018 Seawall and 2022 GO Refunding.

**e. Audits Unit - Expenditure Audits**

Mark de la Rosa, Controller's Director of Audits, reported that there are no new updates since the last meeting. The 2018 Seawall Safety Improvement GO Bond Program is in the current workplan and after that three additional bond programs not yet audited: 2019 Affordable Housing and a couple of 2020 bond programs which do not yet have enough expenditures to audit. Those will be included in future year workplans.

**f. Audits Unit - Public Integrity Reviews**

Mark de la Rosa reviewed the work completed since last meeting stating that they have issued the 8<sup>th</sup> Public Integrity Report on the SFPUC Social Impact Partnership Program or Community Benefit Program issued on December 9, 2021, with three main findings and seven recommendations. The three reviews they are currently working on that are planned to be issued in the coming months are the Department of the Environment, another SFPUC on contracting and procurement processes and citywide ethics reported requirements. That will be followed by a 24-month status on audit implement update to give status on recommendations.

Member Post asked about the SFPUC Integrity Audits. Mr. de la Rosa responded to her question. Member Post asked that the Committee be notified if anything significant comes up in future months.

**g. Performance Unit - Public Perception Survey Project**

Peg Stevenson reported out that they are making excellent progress. They are going to focus on two parks projects. A contractor and contract are in place, and they are working out the final details. She will contact Member Pantoja about it. She talked about the projects to be covered by the surveys.

**h. CSA Division – Progress Report and Workplan**

They have all of staff out of COVID deployment and are underway with non-COVID work that was paused. Five staff are still supporting COVID data work and hotel housing program. They hope to wind that all down by the end of this fiscal year and be back in full compliance with the work with departmental clients and on other program requirements under the charter amendment. They will reach out to Member Sanderlin. Mr. de la Rosa talked about the FY2022-23 workplan and added that they are devoting some of their workplan to continuing the FEMA cost recovery efforts.

**Public Comment**

Note: There were technical problems with WebEx. The Committee Assistant was made aware of them at Item 9 Public Comment. During the meeting WebEX was not showing the raised hands for public comment. The Committee Assistant apologized to the public.

My name is Francisco De Costa and I've been listening to this meeting, and this is a citizens oversight committee meeting. This is not a cabal and when you deny the public from giving comment, then you're doing injustice to everybody. So, this is what I have to say. I'm fed up with the Ethics Commission, the Sunshine Task Force, the Controller's Office because just look at this meeting. Here is this woman who should check to see if there is really public comment. I was forced to send a text message to one of you members who may have brought it to her attention that she's not doing due diligence, but it's very important to remember that with all the corruption going on in this blessed city, one of the things that all this committees do is they do not respect the community. They don't respect the citizen. They do not respect the constituent. Shame on you all. And my name is Francisco De Costa. I'm the Director of Environmental Justice Advocacy. I'm the one who first called upon all the corruption with the San Francisco Public Utilities Commission and provided the Controller's Office with empirical data. The Controller's Office has let us down.

Public Comment received from Dr. Derek Kerr, M.D. emailed to CGOBOC and forwarded to members after the meeting. Thanks to Mr. Jensen and CGOBOC members for finally addressing the phenomenal surge in complaints that lack sufficient information to be investigated. Using FY 2019/20 as baseline, just 8% of complaints were closed due to inadequate information. In the first quarter of 20/21 it was still 8%. In the 2nd quarter, it was 23%. In the 3rd quarter it was 30%. In the 4th quarter, it rose to 45%. In quarter 1 of 21/22 we get 47% - almost half! This trend artificially boosts the Program's complaint closure rate. Is some troll spamming the Whistleblower Program?

Or, is some insider flooding the Program with bogus complaints to make it look busier and more efficient than it really is?

There was a motion to adjourn the meeting by Vice Chair Mathews and it was seconded by Member Post.

The meeting was adjourned at 11:50 am